

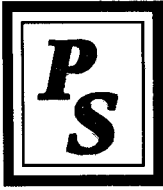
**SAN BERNARDINO COUNTY
SHERIFF'S DEPARTMENT
STREET ENFORCEMENT AND PROSECUTION
PROJECT GRANT
Contract # DC033Q0360**

**Financial Statement
With
Independent Auditors' Reports**

**For the Period July 1, 2003
Through December 31, 2004**

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POWELL & SPAFFORD, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
Patrick D. Spafford, CPA

MEMBER,
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Supervisors
San Bernardino County Sheriff's Department

We have audited the accompanying statement of grant revenues and expenditures of the San Bernardino County Sheriff's Department (the Department) Street Enforcement and Prosecution Project Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # DC033Q0360 for the period July 1, 2003 through December 31, 2004. This statement is the responsibility of the Department's management. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in accordance with the State of California's Office of Criminal Justice Planning Handbook. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of grant revenues and expenditures was prepared for the purpose of complying with the audit requirements of the State of California's Office of Criminal Justice Planning Handbook as described in Note 1 and is not intended to be a complete presentation of the Department's revenues and expenditures, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, the statement referred to above presents fairly, in all material respects, the grant revenues and expenditures of the San Bernardino County Sheriff's Department Street Enforcement and Prosecution Project Grant in accordance with the State of California's Department of Criminal Justice Planning Contract # DC033Q0360 for the period July 1, 2003 through December 31, 2004, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated January 11, 2005, on our consideration of the Department's internal control and our test of its compliance with certain provisions of laws, regulations, and contract requirements. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the County's Board of Supervisors, Sheriff's Department management and the State of California's Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

Rowell & Spafford, LLP

January 11, 2005

**SAN BERNARDINO COUNTY SHERIFF'S DEPARTMENT
STREET ENFORCEMENT AND PROSECUTION PROJECT GRANT
CONTRACT # DC033Q0360**

Statement of Grant Revenues and Expenditures

For the Period July 1, 2003 Through December 31, 2004

Revenues

Reimbursements received/receivable	<u>\$ 1,303,563</u>
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Expenditures

Salaries and benefits	1,194,968
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Services and supplies	2,500
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Equipment	<u>106,095</u>
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Total expenditures	<u>1,303,563</u>
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Excess of expenditures over grant revenues received	<u>\$ -</u>
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The accompanying notes are an integral part of this statement.

**SAN BERNARDINO COUNTY SHERIFF'S DEPARTMENT
STREET ENFORCEMENT AND PROSECUTION PROJECT GRANT
CONTRACT # DC033Q0360**

Notes to Financial Statements

1. Summary of Operations and Significant Accounting Policies

Description of the Reporting Entity

The statement represents the grant revenues and expenditures of the San Bernardino County Sheriff's Department (the Department) State of California's Office of Criminal Justice Planning (OCJP) Street Enforcement and Prosecution Project Grant Contract # DC033Q0360 for the period July 1, 2003 through December 31, 2004. The grant was funded by OCJP and administered by the San Bernardino County Sheriff's Department. The accompanying statement of grant revenues and expenditures presents only the activities of the Street Enforcement and Prosecution Project Grant Contract # DC033Q0360 and is not intended to present the financial position of the San Bernardino County Sheriff's Department nor the County of San Bernardino itself in conformity with accounting principles generally accepted in the United States of America.

Description of Grant

The grant funds were made available to the Sheriff's Department to provide a coordinated effort of investigators, crime lab personnel, a probation officer and prosecutors to effectively handle the vast number of cases related to methamphetamine trafficking in San Bernardino County.

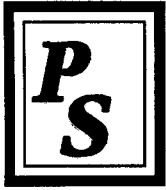
The preparation of this financial statement requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of revenues and expenditures, as well as the disclosure of contingent liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the statement. A description of the significant accounting policies employed in the preparation of this statement follows:

Statement of Grant Revenues and Expenditures

The statement of grant revenues and expenditures presents the eligible costs charged to the Street Enforcement and Prosecution Project Grant Contract # DC033Q0360 by the San Bernardino County Sheriff's Department and other departments within the County and the revenues received in reimbursement of those costs by OCJP.

Basis of Accounting

Revenues and expenditures are presented on the basis of accounting as allowed by the OCJP handbook where expenditures are recognized in the accounting period in which they are incurred or encumbered, that is, when goods are received or services are provided or a purchase order for the goods or services has been issued. Revenues are recognized in the accounting period in which reimbursable expenditures are incurred or encumbered.



POWELL & SPAFFORD, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
Patrick D. Spafford, CPA

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

To the Board of Supervisors
San Bernardino County Sheriff's Department

We have audited the statement of grant revenues and expenditures of the San Bernardino County Sheriff's Department (the Department) Street Enforcement and Prosecution Project Grant Contract in accordance with the State of California's Office of Criminal Justice Planning Contract # DC033Q0360 for the period July 1, 2003 through December 31, 2004 and have issued our report thereon dated January 11, 2005.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Department's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests, disclosed an instance of noncompliance that is required to be reported herein under *Government Auditing Standards* issued by the Comptroller General of the United States as discussed in the Findings and Questioned Costs Section of this report.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County's Board of Supervisors, Sheriff's Department management, and the California Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

Paul & Spafford, LLP

January 11, 2005

**SAN BERNARDINO COUNTY SHERIFF'S DEPARTMENT
STREET ENFORCEMENT AND PROSECUTION PROJECT GRANT
CONTRACT # DC033Q0360**

**Schedule of Findings and Questioned Costs
For the Period July 1, 2003 Through December 31, 2004**

Findings and Questioned Costs for the Period July 1, 2003 Through December 31, 2004:

04-1 – Allocation of Personnel Costs

Reportable condition – During the grant audit, it was discovered that timecards for one employee of the Sheriff's Department were not completed to support the percentage of salary allocated to the grant.

Effect – OCJP/OES could request reimbursement for charges made to the grant.

Cause – An employee of the Sheriff's Department failed to track their time properly.

Criteria – OCJP/OES requires employees working on one or more grants to maintain timecards to support amounts charged to a particular grant.

Recommendation – We recommend that the Department establish policies and procedures to insure preparation of timecards.

Management's Response – We will insure that all employees adhere to the requirement.

Summarized Prior Year Finding

The Department did not always have supporting documentation for certain grant expenditures, which include the proper approvals or signatures authorizing transfers between Divisions of the County of San Bernardino such as the Automotive and Communications Divisions.

Current Status

The Department now insures proper authorizations before charging a grant for any expenditure.

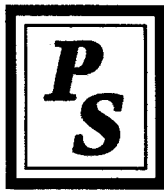
**SAN BERNARDINO COUNTY
SHERIFF'S DEPARTMENT
MARIJUANA SUPPRESSION PROGRAM GRANT
Contract # MS033Q0360**

**Financial Statement
With
Independent Auditors' Reports**

For the Year Ended June 30, 2004

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POWELL & SPAFFORD, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
Patrick D. Spafford, CPA

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Supervisors
San Bernardino County Sheriff's Department

We have audited the accompanying statement of grant revenues and expenditures of the San Bernardino County Sheriff's Department (the Department) Marijuana Suppression Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # MS033Q0360 for the year ended June 30, 2004. This statement is the responsibility of the Department's management. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in accordance with the State of California's Office of Criminal Justice Planning Handbook. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of grant revenues and expenditures was prepared for the purpose of complying with the audit requirements of the State of California's Office of Criminal Justice Planning Handbook as described in Note 1 and is not intended to be a complete presentation of the Department's revenues and expenditures.

In our opinion, the statement referred to above presents fairly, in all material respects, the grant revenues and expenditures of the San Bernardino County Sheriff's Department Marijuana Suppression Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # MS033Q0360 for the year ended June 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2004, on our consideration of the Department's internal control and our test of its compliance with certain provisions of laws, regulations, and contract requirements. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the County's Board of Supervisors, Sheriff's Department management and the State of California's Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

December 16, 2004

Powell & Spafford, LLP

**SAN BERNARDINO COUNTY SHERIFF'S DEPARTMENT
MARIJUANA SUPPRESSION PROGRAM GRANT
CONTRACT # MS033Q0360
Statement of Grant Revenues and Expenditures**

For the Year Ended June 30, 2004

Revenues

Reimbursements received/receivable	\$ 250,000
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Expenditures

Salaries and benefits	240,976
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Services and supplies	<u>9,024</u>
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Total expenditures	<u>250,000</u>
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Excess of expenditures over grant revenues received	<u>\$ -</u>
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The accompanying notes are an integral part of this statement.

**SAN BERNARDINO COUNTY SHERIFF'S DEPARTMENT
MARIJUANA SUPPRESSION PROGRAM GRANT
CONTRACT # MS033Q0360**

Notes to Financial Statements

1. Summary of Operations and Significant Accounting Policies

Description of the Reporting Entity

The statement represents the grant revenues and expenditures of the San Bernardino County Sheriff's Department (the Department) State of California's Office of Criminal Justice Planning (OCJP) Marijuana Suppression Program Grant Contract # MS033Q0360 for the year ended June 30, 2004. The grant was funded by OCJP and administered by the San Bernardino County Sheriff's Department. The accompanying statement of grant revenues and expenditures presents only the activities of the Marijuana Suppression Program Grant Contract # MS033Q0360 and is not intended to present the financial position of the San Bernardino County Sheriff's Department nor the County of San Bernardino itself in conformity with accounting principles generally accepted in the United States of America.

Description of Grant

The grant funds were made available to the Sheriff's Department to provide for the suppression and eradication of marijuana cultivations in conjunction with the District Attorney's Office for prosecution of traffickers.

The preparation of this financial statement requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of revenues and expenditures, as well as the disclosure of contingent liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the statement. A description of the significant accounting policies employed in the preparation of this statement follows:

Statement of Grant Revenues and Expenditures

The statement of grant revenues and expenditures presents the eligible costs charged to the Marijuana Suppression Program Grant Contract # MS033Q0360 by the San Bernardino County Sheriff's Department and the District Attorney's Office and the revenues received in reimbursement of those costs by OCJP.

Basis of Accounting

Revenues and expenditures are presented on a modified accrual basis. Expenditures are recognized in the accounting period in which they are incurred, that is, when goods are received or services are provided. Revenues are recognized in the accounting period in which reimbursable expenditures are incurred.



POWELL & SPAFFORD, LLP

CERTIFIED PUBLIC ACCOUNTANTS

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Patrick D. Spafford, CPA

MEMBER:
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**Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

To the Board of Supervisors
San Bernardino County Sheriff's Department

We have audited the statement of grant revenues and expenditures of the San Bernardino County Sheriff's Department (the Department) Marijuana Suppression Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # MS033Q0360 for the year ended June 30, 2004 and have issued our report thereon dated December 16, 2004.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Department's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests, disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Department's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County's Board of Supervisors, Sheriff's Department management, and the California Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

Powell & Spafford, LLP

December 16, 2004

**SAN BERNARDINO COUNTY
DISTRICT ATTORNEY'S OFFICE
ELDER ABUSE ADVOCACY AND OUTREACH
PROGRAM GRANT
Contract # EA03020360**

**Financial Statement
With
Independent Auditors' Reports**

For the Year Ended September 30, 2004

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POWELL & SPAFFORD, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
Patrick D. Spafford, CPA

MEMBER:
AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Supervisors
San Bernardino County District Attorney's Office

We have audited the accompanying statement of grant revenues and expenditures of the San Bernardino County District Attorney's Office (the Office) Elder Abuse Advocacy and Outreach Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # EA03020360 for the year ended September 30, 2004. This statement is the responsibility of the Office's management. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in accordance with the State of California's Office of Criminal Justice Planning Handbook. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of grant revenues and expenditures was prepared for the purpose of complying with the audit requirements of the State of California's Office of Criminal Justice Planning Handbook as described in Note 1 and is not intended to be a complete presentation of the Office's revenues and expenditures.

In our opinion, the statement referred to above presents fairly, in all material respects, the grant revenues and expenditures of the San Bernardino County District Attorney's Office Elder Abuse Advocacy and Outreach Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # EA03020360 for the year ended September 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2004, on our consideration of the Office's internal control and our test of its compliance with certain provisions of laws, regulations, and contract requirements. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the County's Board of Supervisors, District Attorney's Office management and the State of California's Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

Lowell & Spafford, LLP

November 5, 2004

**SAN BERNARDINO COUNTY DISTRICT ATTORNEY'S OFFICE
ELDER ABUSE ADVOCACY AND OUTREACH PROGRAM GRANT
CONTRACT # EA03020360**

Statement of Grant Revenues and Expenditures

For the Year Ended September 30, 2004

	<u>Funds Requested</u>	<u>Matching Funds</u>	<u>Total</u>
Revenues			
Reimbursements received/receivable			\$ 140,000
Expenditures			
Salaries and benefits	\$ 140,000	\$ 8,295	<u>148,295</u>
Excess of expenditures over grant revenues received - Office cash match			<u>\$ (8,295)</u>

The accompanying notes are an integral part of this statement.

**SAN BERNARDINO COUNTY DISTRICT ATTORNEY'S OFFICE
ELDER ABUSE ADVOCACY AND OUTREACH PROGRAM GRANT
CONTRACT # EA03020360**

Notes to Financial Statements

1. Summary of Operations and Significant Accounting Policies

Description of the Reporting Entity

The statement represents the grant revenues and expenditures of the San Bernardino County District Attorney's Office (the Office) State of California's Office of Criminal Justice Planning (OCJP) Elder Abuse Advocacy and Outreach Program Grant Contract # EA03020360 for the year ended September 30, 2004. The grant was funded by OCJP and administered by the San Bernardino County District Attorney's Office. The accompanying statement of grant revenues and expenses presents only the activities of the Elder Abuse Advocacy and Outreach Program Grant Contract # EA03020360 and is not intended to present the financial position of the San Bernardino County District Attorney's Office nor the County of San Bernardino itself in conformity with accounting principles generally accepted in the United States of America.

Description of Grant

The grant funds were made available to identify elder abuse victims and provide them with direct advocacy services, including crisis intervention, counseling and referral assistance to agencies serving elder abuse victims.

The preparation of this financial statement requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of revenues and expenses, as well as the disclosure of contingent liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the statement. A description of the significant accounting policies employed in the preparation of this statement follows:

Statement of Grant Revenues and Expenditures

The statement of grant revenues and expenditures presents the eligible costs charged to the Elder Abuse Advocacy and Outreach Program Grant Contract # EA03020360 by the San Bernardino County District Attorney's Office and the revenues received in reimbursement of those costs by OCJP.

Basis of Accounting

Revenues and expenditures are presented on a modified accrual basis. Expenditures are recognized in the accounting period in which they are incurred, that is, when goods are received or services are provided. Revenues are recognized in the accounting period in which reimbursable expenditures are incurred.



POWELL & SPAFFORD, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
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MEMBER:
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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

To the Board of Supervisors
San Bernardino County District Attorney's Office

We have audited the statement of grant revenues and expenditures of the San Bernardino County District Attorney's Office (the Office) Elder Abuse Advocacy and Outreach Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # EA03020360 for the year ended September 30, 2004 and have issued our report thereon dated November 5, 2004.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Office's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests, disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County's Board of Supervisors, District Attorney's Office management, and the State of California's Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

Powell & Spafford, LLP

November 5, 2004

**SAN BERNARDINO COUNTY
DISTRICT ATTORNEY' OFFICE
SPECIAL EMPHASIS VICTIM'S ASSISTANCE
PROGRAM GRANT
Contract # SE03130360**

**Financial Statement
With
Independent Auditors' Reports**

For the Year Ended September 30, 2004

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POWELL & SPAFFORD, LLP

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CERTIFIED PUBLIC ACCOUNTANTS

Independent Auditors' Report

To the Board of Supervisors
San Bernardino County District Attorney's Office

We have audited the accompanying statement of grant revenues and expenditures of the San Bernardino County District Attorney's Office (the Office) Special Emphasis Victim's Assistance Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # SE03130360 for the year ended September 30, 2004. This statement is the responsibility of the Office's management. Our responsibility is to express an opinion on the statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and in accordance with the State of California's Office of Criminal Justice Planning Handbook. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying statement of grant revenues and expenditures was prepared for the purpose of complying with the audit requirements of the State of California's Office of Criminal Justice Planning Handbook as described in Note 1 and is not intended to be a complete presentation of the Office's revenues and expenditures.

In our opinion, the statement referred to above presents fairly, in all material respects, the grant revenues and expenditures of the San Bernardino County District Attorney's Office Special Emphasis Victim's Assistance Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # SE03130360 for the year ended September 30, 2004, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2004, on our consideration of the Office's internal control and our test of its compliance with certain provisions of laws, regulations, and contract requirements. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of the County's Board of Supervisors, District Attorney's Office management and the State of California's Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

November 5, 2004

Lowell & Spafford, LLP

**SAN BERNARDINO COUNTY DISTRICT ATTORNEY'S OFFICE
SPECIAL EMPHASIS VICTIM'S ASSISTANCE PROGRAM GRANT
CONTRACT # SE03130360**

Statement of Grant Revenues and Expenditures

For the Year Ended September 30, 2004

	<u>Funds Requested</u>	<u>Matching Funds</u>	<u>Total</u>
Revenues			
Reimbursements received/receivable			\$ <u>110,000</u>
Expenditures			
Salaries and benefits	\$ 110,000	\$ 19,267	129,267
Services and supplies	<u>-</u>	<u>8,233</u>	<u>8,233</u>
 Total expenditures	 <u>110,000</u>	 <u>27,500</u>	 <u>137,500</u>
 Excess of expenditures over grant revenues received - Office cash match			 <u>\$ (27,500)</u>

The accompanying notes are an integral part of this statement.

**SAN BERNARDINO COUNTY DISTRICT ATTORNEY'S OFFICE
SPECIAL EMPHASIS VICTIM'S ASSISTANCE PROGRAM GRANT
CONTRACT # SE03130360**

Notes to Financial Statements

1. Summary of Operations and Significant Accounting Policies

Description of the Reporting Entity

The statement represents the grant revenues and expenditures of the San Bernardino County District Attorney's Office (the Office) State of California's Office of Criminal Justice Planning (OCJP) Special Emphasis Victim's Assistance Program Grant Contract # SE03130360 for the year ended September 30, 2004. The grant was funded by OCJP and administered by the San Bernardino County District Attorney's Office. The accompanying statement of grant revenues and expenditures presents only the activities of the Special Emphasis Victim's Assistance Program Grant Contract # SE03130360 and is not intended to present the financial position of the San Bernardino County District Attorney's Office nor the County of San Bernardino itself in conformity with accounting principles generally accepted in the United States of America.

Description of Grant

The grant funds were made available to provide direct services to underserved ethnic minority individuals who are victimized by violent crime.

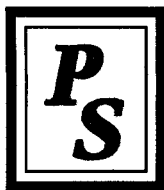
The preparation of this financial statement requires management to make estimates and assumptions. Those estimates and assumptions affect the reported amounts of revenues and expenditures, as well as the disclosure of contingent liabilities. Actual results could differ from those estimates. Management also determines the accounting principles to be used in the preparation of the statement. A description of the significant accounting policies employed in the preparation of this statement follows:

Statement of Grant Revenues and Expenditures

The statement of grant revenues and expenditures presents the eligible costs charged to the Special Emphasis Victim's Assistance Program Grant Contract # SE03130360 by the San Bernardino County District Attorney's Office and the revenues received in reimbursement of those costs by OCJP.

Basis of Accounting

Revenues and expenditures are presented on a modified accrual basis. Expenditures are recognized in the accounting period in which they are incurred, that is, when goods are received or services are provided. Revenues are recognized in the accounting period in which reimbursable expenditures are incurred.



POWELL & SPAFFORD, LLP

CERTIFIED PUBLIC ACCOUNTANTS

Jessie C. Powell, CPA
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MEMBER:
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CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report on Compliance and on Internal Control Over
Financial Reporting Based on an Audit of Financial Statements Performed
in Accordance With *Government Auditing Standards***

To the Board of Supervisors
San Bernardino County District Attorney's Office

We have audited the statement of grant revenues and expenditures of the San Bernardino County District Attorney's Office (the Office) Special Emphasis Victim's Assistance Program Grant in accordance with the State of California's Office of Criminal Justice Planning Contract # SE03130360 for the year ended September 30, 2004 and have issued our report thereon dated November 5, 2004.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the Office's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests, disclosed no instances of noncompliance that are required to be reported herein under *Government Auditing Standards* issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Office's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the County's Board of Supervisors, District Attorney's Office management, and the State of California's Office of Criminal Justice Planning, and is not intended to be, and should not be, used by anyone other than these specified parties.

Powell & Spafford, LLP

November 5, 2004